

THE RIGHTS OF SPRING

League swings for a double; CBS ready to pitch



By Steve McClellan

What goes up must come down. The exception—sports TV rights. In the next several months, Major League Baseball will renegotiate its two major, over-the-air packages, currently held by Fox and NBC. Both are in the last of five-year deals and the league is expected to exact huge increases to renew. Sources say the league thinks it can get at least double what it is currently getting from Fox and NBC.

Several factors suggest that the league will come close to getting exactly what it wants. First, there's interest from CBS and, to a lesser extent, ABC. Second, the league recently came to terms with ESPN on a new, six-year

deal that takes that network's rights payment from \$43 million in 1999 to at least \$175 million by 2003, about a four-fold increase. Both the incumbents have been pleased, overall, with the results of their packages over the past four years—despite the fact that the past two World Series have been four-game sweeps. And Fox and NBC want to renew. CBS sources confirm that the network is interested in baseball and will make a bid if it gets the opportunity. "From a pure sports standpoint, we'd love to get baseball," says one network insider. "With baseball, CBS would be the No. 1 sports division without question." Ken Schanzer, president of NBC Sports, doesn't seem like

NY baseball rights up
for grabs

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Cable gets more
games

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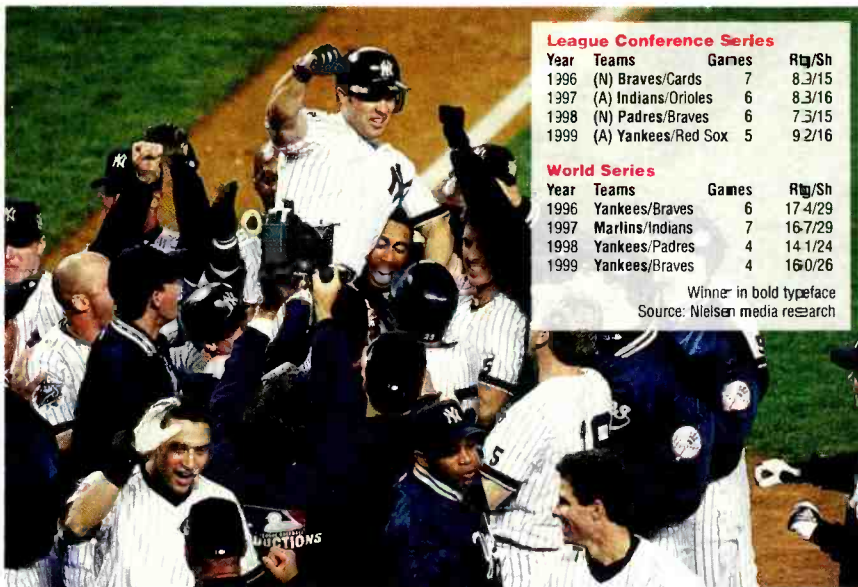
Team-by-team
TV/radio survey

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Red Sox team up
with FoxTV

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Photo: 1999 Ron Vesely / MLB Photos



League Conference Series

Year	Teams	Games	Rtg/Sh
1996	(N) Braves/Cards	7	8.3/15
1997	(A) Indians/Orioles	6	8.3/16
1998	(N) Padres/Braves	6	7.3/15
1999	(A) Yankees/Red Sox	5	9.2/16

World Series

Year	Teams	Games	Rtg/Sh
1996	Yankees/Braves	6	17.4/29
1997	Marlins/Indians	7	16.7/29
1998	Yankees/Padres	4	14.1/24
1999	Yankees/Braves	4	16.0/26

Winner in bold typeface

Source: Nielsen media research

he's eager to give CBS the chance. "Under the right conditions, of course, I'd like to renew it. There are some ebbs and flows to it, but the root strength of baseball is significant."

As for outside interest, NBC's Schanzer says that given baseball's rebound from its woes in the early and mid-'90s, he's not surprised that other networks might make a bid for the rights.

"When the current contract began, baseball was coming out of a very difficult period," Schanzer notes. The popularity of the sport declined in the early '90s and a strike that straddled the 1994-95 season made a bad situation worse. "But the sport has revived a great deal," Schanzer continues. The McGwire-Sosa home run contest of two years ago was "one of the most exciting events in all of baseball history," he says. Another great story line: The resurgence of the New York Yankees, one of the most storied teams in sports history, in the nation's largest market.

For NBC, baseball gives the peacock network two out of three of the "crown jewels" of television sports—the other being its National Basketball Association rights package. Missing from the network since 1997 is the National Football League. NBC's current baseball package is mostly gravy—that is, post-season play and the All Star Game. The network doesn't have to find room for lower-rated regular-season games in the summer months that inevitably conflict with other sports, such as golf.

Fox seems to be a happy camper too. It has a regular-season-post-season package that includes a Saturday game of the week and a share of the league

championship series with NBC. It also gets the World Series every other year. Now that Fox no longer has the National Hockey League rights, MLB along with NFL games round out the network's portfolio nicely. And starting soon, Fox will add a NASCAR package.

Neither Fox nor NBC is getting rich with its current baseball pact, according to sources. But neither are they losing money. "In both cases they are modestly profitable," says one source familiar with the situation. That source said both networks make an operating profit of less than \$10 million a year on the packages.

The point man for Major League Baseball on the renewal talks is Paul

Beeston, who joined the league as chief operating officer in 1997. Prior to that, Beeston spent 20 years with the Toronto Blue Jays, the last several years as president of the team.

Media executives credit Beeston with doing a first-rate job of extracting significantly more money out of ESPN over the next the six years. The new deal essentially settled a lawsuit between the two parties concerning ESPN's preempting of three late season games due to conflicts with NFL telecasts.

"I don't think Major League Baseball had a hope in hell of winning that lawsuit," says one media executive familiar the issues. "Yet [Beeston] was able to get all that extra money out of ESPN and make them almost overnight a very major financial supporter of baseball."

With ESPN settled, Beeston is now focused on renewal talks with Fox. Talks with NBC have yet to heat up. The rights holders have an exclusive negotiating window that expires on May 1. At that point, if the parties don't come to terms on a renewal, MLB is free to talk to other interested parties. Sources say they'd be surprised if the league doesn't let the window lapse so it can field outside offers.

That said, there are still concerns about baseball's contribution to the network overall. CBS sources say factions within the entertainment division are concerned about disturbing the "flow" of prime time for the month of October. "I'm not sure the prime time folks are convinced it's the right thing to do," says one insider familiar with the situation.

National broadcast rights



\$851 million 6-year deal through the 2005 season; Approximately 105 Wednesday and Sunday night regular-season games, plus rights to all regular-season games on ESPN Radio



\$575 million 5-year deal that ends after the 2000 season; NL championship series in 2000; World Series in 2000



\$172 million 5-year deal (with Fox Sports Net) that ends after the 2000 season; 26-week Saturday night regular-season games



\$172 million 5-year deal (with FX) that ends after the 2000 season; 26-week Thursday night regular-season games; Regional networks and affiliates have the rights to 27 MLB teams



\$475 million 5-year contract that ends after the 2000 season; AL championship series in 2000

The flip side is, if you're going to disturb the flow, doing it with a World Series game that pulls in a 15 rating in a 7-rating world might not be such a bad thing.

CBS paid big to get back the NFL two years ago, and says it's on a course to break even with the football package over its full term. It's accomplishing that with some help from its affiliates, as well as with double-digit price increases from advertisers.

That model will be harder to duplicate with baseball. For one thing, advertising sales types say getting big price hikes for baseball is a daunting challenge. For one thing, the audience skews older, and is less attractive to many advertisers.

Second, the post-season always gets shortchanged because it butts up against the NFL. "Football has the artificial effect of depressing prices in post-season baseball," says one executive.

Meanwhile, Beeston and Fox have had a series of talks over the last several months. Both sides appear eager to extend the package. So far, they just can't agree on price. Fox is paying an average \$115 million a year in the current deal. Sources say that initially, Beeston was throwing out numbers in the \$400 million range to renew.

Asked if MLB is talking about a three-fold increase, a Fox insider replied, "Yeah, they might be. That's the parrying that's going on and that's why the May 1 deadline will come and go. We aren't going to lose our shirts on this contract. If baseball goes away that leaves us with four weeks in the summer with no sports. That's not a catastrophe."

Fox's big chip is its enthusiasm for the regular season package—at a reasonable price. None of the major networks is wild about the regular season. CBS did it most recently, and endured what Fox says it won't—CBS lost its shirt, to the tune of \$500 million over the life of the package.

ABC is something of a wild card. Insiders say it will take a look at baseball, as it routinely takes a look at everything. But several sources note that ABC's recent bids for major sports packages—including the NCAA and NASCAR—were downright feeble.

"The buzz within the business is that every last penny is being scrutinized in that company," says one high-level sports media executive of Disney-owned ABC. "It's made it difficult for ABC. They kind of knew the number they had to get to, but they just couldn't internally deliver that number." ■

DAMN YANKEES

Steinbrenner striking out in attempts to start bidding war for Bombers' rights

By John M. Higgins

For the lengths to which the New York Yankees are going to provoke a bidding war for local rights to its games, the strongest suitor appears to be existing sports network operator Cablevision Systems Corp.

Yankees managing partner George Steinbrenner has tried to spark a fierce fight by combining his team with the New Jersey Nets basketball team, offering a critical mass to stoke a start-up network by another media player, or even Steinbrenner himself. But industry executives say that so far the strongest rivals to Cablevision, including ESPN and Time Warner, aren't expressing much interest.

Nevertheless, YankeeNets' new president, former Turner Sports President Harvey Schiller, is confident he'll secure a much bigger deal for rights to the teams when the Yankees' deal with Cablevision's Madison Square Garden Network expires in September.

Just about all TV sports rights have soared in the 12 years since the Yankees signed what was then a blowout—\$486 million deal—with MSG, then owned by Gulf & Western. And Schiller is armed with World Series champions in the nation's largest TV market.

"We're seeing significant interest from everyone from the traditional carriers to some that aren't so traditional," Schiller said.

Securities filings from YankeeNets' recent \$200 million bond deal disclose that MSG paid the Yankees \$48 million last year, while sister network Fox Sports New York paid just \$3 million to the Nets.

Two weeks ago, the New Jersey Devils agreed to merge with the YankeeNets. But while the Nets' deal expires next year, the Devils' deal with Fox Sports doesn't expire until 2007.

Wall Street executives who attended road show sales pitches for the bond deal said that Schiller predicted the company would double both its take



Despite the YankeeNets partnership, Yankee owner George Steinbrenner (behind fence) has yet to stir much interest in his team's TV rights.

AP Photo

from local sports rights and its end of the Major League Baseball national rights package. Analysts and industry executives estimated that YankeeNets' deal will probably end up between \$120 million and \$130 million per year, with the team group getting a sizable equity stake in the network.

"Given the dynamics of this marketplace, I would expect to see a big number," said Peter Stern, a partner in boutique sports ad agency Strategic Sports Group.

Losing the contest could be dire for Cablevision and its partners Fox Sports and NBC. Cablevision had to close SportsChannel Philadelphia and Prism in 1997 after Comcast swept up the Philadelphia 76ers basketball and Flyers hockey teams to create a new sports network team and arena venture. Losing the Yankees and Nets rights could leave a big enough hole in Cablevision's network schedule to force the shutdown of Fox Sports New York, which Bear Stearns & Co. media analyst Ray Katz estimated last May was worth \$790 million. Cablevision would not comment on the negotiations. ■

BATTING

Ken
Griffey Jr.
Reds CF

CLEAN-UP

With 21 regional networks, Fox Sports Net covers the national pastime coast to coast

By Kim McAvoy

When it comes to baseball, Fox Sports Net is king. Not only is the network the leading local-rights holder for cable, but Fox is aggressively acquiring the local rights for broadcast TV as well, an effort that appears to be succeeding.

Indeed, the 2000 season opens with Fox Sports Net Southwest spending \$200 million over 10 years for the broadcast TV rights to the Texas Rangers games. (The Dallas Stars hockey team and Mesquite Rodeo are also part of the package and also owned by Fox.) Games will run on Fox Sports Net Southwest, while Fox Television's KDFW-TV Dallas will air six games, and KDFI-TV Dallas, also Fox-owned, will carry 61 games. Fox Sports Net has also spent roughly \$300 million for the Rangers' cable rights for the next 15 years.

Also this season, Fox Sports Net

Midwest went after the broadcast rights for the St. Louis Cardinals, which will cost a total of \$12 million over the next four years. The cable network already had the Cardinals' cable rights.

With those deals in place, there is little doubt that Fox Sports Net's total of 21 regional networks—10 are owned-and-operated and 11 are affiliated networks—will dominate the local baseball scene.

At Fox Sports Net, the decision to acquire broadcast TV and cable rights is made on a case-by-case basis, says Bob Thompson, executive vice president and chief operating officer, Fox Sports Regional Networks. "We look at how having the over-the-air rights might enhance our cable package. Can we move games back and forth between cable and broadcast? We also look at the general appetite for sports in the market. If we think it's a prudent investment, we'll go ahead and acquire the over-the-air rights as well as the cable rights," he says.

While Fox has been picking up more

broadcast TV rights, Thompson says there is no edict that has come down that says, "Go out and buy all the broadcast rights in the country." Moreover, he adds, Fox Sports Net isn't taking rights away from local stations. "We really just assumed the responsibility from the team, in that the team was producing the games and selling the advertising and doing some type of barter deal with a local station. I think the teams recognize that they're probably better off sticking to selling tickets and putting the team on the field," says Thompson.

Thompson says Fox Sports Net will continue to look for opportunities to put games on Fox TV stations where it makes sense. "We're constantly in discussions with the Fox TV station group looking for those areas where there is an appetite for baseball," he says.

In this year's annual baseball rights survey, BROADCASTING & CABLE found that nearly half of all 30 Major League Baseball teams have sold both over-the-air and cable games to either Fox or its affiliates. That represents an estimated \$189.4 million in fees this season.

Four of the Fox owned-and-operated networks and six of its affiliated networks—including Fox Sports Net New York and Madison Square Garden Network—have both broadcast and cable rights to 13 MLB teams. Among those teams are the Kansas City Royals, the Florida Marlins, the Houston Astros, the Pittsburgh Pirates, the Colorado Rockies, and the New York Yankees and Mets.

Fox Sports Net, through all of its owned-and-operated networks and eight affiliates including Fox Sports Net Ohio, Fox Sports Net Chicago, Fox Sports Net Bay Area and Home Team

Ivan
Rodriguez
Catcher

RANGERS

AP Photo

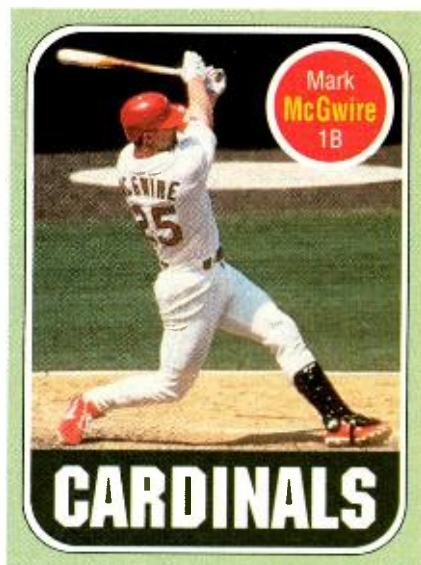
AP Photo

LOCAL TV AND RADIO LINEUP

BROADCAST TV							CABLE					RADIO				
Team	Flagship	# of reg. season games	# of stations in net.	Contract status yr./yrs.	2000 rights (millions)	2000 est. revenue (millions)	Regional network	# of reg. season games	Contract status yr./yrs.	2000 rights (millions)	2000 est. revenue (millions)	Flagship	# of stations in net.	Contract status yr./yrs.	2000 rights (millions)	2000 est. revenue (millions)
AMERICAN LEAGUE EAST																
Baltimore Orioles	WJZ-TV (ch. 13)	37	15	4/4	—	—	Home Team Sports	85	4/10	\$20	—	WBAL(AM) 1090 khz	25	1/3	\$3.5	—
CBS, which owns WJZ-TV and HTS, pays \$20 million for broadcast TV and cable rights. It sublicenses games to WNUV-TV Baltimore and WBDC(TV) Washington.																
Boston Red Sox	WFXT-TV (ch. 25)	67	11	1/3	\$8.7	—	New England Sports Network	85	17/20	\$10	—	WEEI(AM) 850 khz	56	4/5	\$4.9	—
Team owns 48% of NESN.																
New York Yankees	WNYW(TV) (ch. 5)	50	0	—	—	—	MSG Network	100	12/12	\$48.8	—	WABC(AM) 770 khz	33	—	—	—
MSGN holds rights to broadcast TV, cable and radio and sublicenses 50 games to WNYW(TV) for \$17.5 million for last year of a two-year deal.																
Toronto Blue Jays	CBC	40	0	2/3	\$6	—	TSN	80	4/5	\$12	—	CHUM(AM) 1050 khz	30	3/3	\$2-2.5	—
							CTV Sportsnet	33	2/3	\$5	—					
Headline Sports radio has radio rights. Pending CRTC approval, CTV, which owns Sportsnet, has purchased TSN.																
Tampa Bay Devil Rays	WMOR(TV) (ch. 32)	56	7	3/5	—	\$3	Fox Sports Net	64	3/12	\$4.4	—	WFLA(AM) 970 khz	16	3/7	\$3.7	—
	WTSP(TV) (ch. 10)	15		3/5												
Team retains broadcast TV rights, buys air time on stations and keeps all ad inventory.																
AMERICAN LEAGUE CENTRAL																
Chicago White Sox	WGN-TV (ch. 9)	29	0	1/1	—	\$13	Fox Sports Net	99	1/10	\$5.5	—	WMVP(AM) 1000 khz	37	5/10	\$5	—
	WCIU-TV (ch. 26)	24														
Team and WGN-TV have revenue-sharing partnership. WGN-TV buys airtime on WCIU-TV.																
Cleveland Indians	WUAB(TV) (ch. 43)	75	3-5	2/3	\$6	—	Fox Sports Net	70	2/6	\$6	—	WTAM(AM) 1100 khz	38	1/2	—	\$8-10
WUAB(TV) holds broadcast TV rights, but team shares revenue. Team retains radio rights, sells all inventory. WMMS(FM) co-owned with WTAM(AM) airs six games.																
Detroit Tigers	WKBD-TV (ch. 50)	40	10	3/5	\$2	—	Fox Sports Net	96	3/10	\$12	—	WJR(AM) 760 khz	30	5/5	—	\$3
Team retains radio rights.																
Kansas City Royals	KMBC-TV (ch. 9)	15	15	—	—	—	Fox Sports Net	30	4/6	\$5.5	—	KMBZ(AM) 980 khz	95	3/3	\$2	—
	KCWE(TV) (ch. 29)	36														
Fox Sports Net Midwest has broadcast and cable TV rights, pays KMBC-TV to carry games. KMBC controls KCWE through local marketing agreement.																
Minnesota Twins	KMSP-TV (ch. 9)	25	0	—	—	—	Midwest Sports Channel	105	3/4	\$2-3	—	WCCO(AM) 830 khz	48	2/2	\$2.5	—
CBS Cable's Midwest Sports Channel pays \$2 million to \$3 million for broadcast TV and cable rights. Midwest sublicenses 25 games to KMSP-TV.																
AMERICAN LEAGUE WEST																
Anaheim Angels	KCAL(TV) (ch. 9)	50	0	5/5	—	\$10-12	Fox Sports Net 2	50	2/10	\$5	—	KLAC(AM) 570 khz	5	2/5	—	\$4.5
Team, which is owned by Disney, shares revenue with KCAL(TV) and KLAC(AM). Team retains radio rights.																
Oakland Athletics	KICU-TV (ch. 36)	52	0	2/5	\$4	—	Fox Sports Net	59	4/7	\$6	—	KABL(AM) 960 khz	20	2/2	—	\$2
Team retains radio rights.																
Seattle Mariners	KIRO-TV (ch. 7)	40	5	3/3	\$5	—	Fox Sports Net	62	4/4	\$5	—	KIRO(AM) 710 khz	35	3/5	\$5.6	—
	KSTW(TV) (ch. 11)	23														
KIRO-TV holds broadcast TV rights.																
Texas Rangers	KDFI-TV (ch. 27)	61	—	—	—	—	Fox Sports Net	80	1/15	\$20	—	KRLD(AM) 1080 khz	70	3/3	\$5	—
	KDFW-TV (ch. 4)	6														
Fox Sports Net Southwest is paying \$200 million for broadcast TV rights over 10 years and \$300 million for cable in a 15-year deal. Fox owns Dallas stations KDFW-TV and KDFI-TV. KXAS-TV will carry five games this year, because of an existing contract.																

Dash (—) indicates column does not apply. Unless noted, teams rights are sold to a broadcast station or cable network, and the 2000 rights fee is shown. If the team retains rights or is involved in a partnership, estimated 2000 revenue is shown instead of the rights fee. Depending on the team, contract status refers to a rights contract, partnership contract or a non-rights holder contract to carry games. In most cases, broadcast TV and radio rights holders form regional networks; the column shows the number of stations in the network. Radio stations usually carry all regular-season games.

Team	BROADCAST TV						CABLE					RADIO				
	Flagship	# of reg. season games	# of stations in net.	Contract status yr./yrs.	2000 rights (millions)	2000 est. revenue (millions)	Regional network	# of reg. season games	Contract status yr./yrs.	2000 rights (millions)	2000 est. revenue (millions)	Flagship	# of stations in net.	Contract status yr./yrs.	2000 rights (millions)	2000 est. revenue (millions)
NATIONAL LEAGUE EAST																
Atlanta Braves	WTBS(TV) (ch.17)	90	0	—	—	\$32.5	Fox Sports Net	25	4/10	\$4	—	WSB(AM) 750 khz	173	1/5	\$5	—
	Turner South							34	—	—	\$12.5					
Revenue reflects simultaneous national carriage of games on TBS. Team, WTBS, and Turner South are owned by Turner Broadcasting System.																
Florida Marlins	WAMI-TV (ch.69)	55	6	—	—	—	Fox Sports Net	95	2/12	\$10	—	WQAM(AM) 560 khz	15	4/5	\$3.7	—
Fox Sports Net Florida pays \$10 million for broadcast TV and cable rights. WAMI-TV pays Fox \$3.2 million for 55 games.																
Montreal Expos	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Expos failed to close any deals for broadcast TV, cable or radio coverage of its games by BROADCASTING & CABLE's deadline last week.																
New York Mets	WPIX(TV) (ch.11)	50	0	—	—	—	Fox Sports Net	100	14/30	\$13+	—	WFAN(AM) 660 khz	6	1/3	\$4.6	—
Fox Sports Net New York pays \$8 million to \$10 million for broadcast TV rights and sublicenses 50 games to WPIX(TV). WADO(AM) will broadcast 94 games in Spanish.																
Philadelphia Phillies	WPSG(TV) (ch.57)	70	1	2/2	—	\$7	Comcast Sports Net	77	3/15	—	\$3.5	WPHT(AM) 1210 khz	18	3/3	—	\$2.4
Team and WPSG(TV) have revenue-sharing partnership for broadcast TV, radio and cable. Phillies partnered with Comcast Spectracore to form Comcast SportsNet.																
NATIONAL LEAGUE CENTRAL																
Chicago Cubs	WGN-TV (ch.9)	71	0	—	—	\$31	Fox Sports Net	73	2/10	\$15	—	WGN(AM) 720 khz	38	—	—	\$9
	WCIU-TV (ch.26)	8														
Tribune owns team and WGN-AM-TV. WGN-TV buys airtime on WCIU-TV. Revenue reflects simultaneous national carriage of superstation WGN.																
Cincinnati Reds	—	—	—	—	—	—	Fox Sports Net	85	2/6	\$2.5	—	WLW(AM) 700 khz	60+	3/3	\$3.5	—
There are no over-the-air games slated for 2000 season. Fox Sports Net Ohio has both broadcast TV and cable rights.																
Houston Astros	KNWS-TV (ch.51)	65	5	—	—	—	Fox Sports Net	72	3/10	\$10+	—	KTRH(AM) 740 khz	50	2/5	—	\$4.5
Fox Sports Net Southwest pays \$10+ million for broadcast TV and cable rights. Team retains radio rights. KXYZ(AM) is Spanish-language flagship station.																
Milwaukee Brewers	WCGV-TV (ch.24)	50	0	—	—	—	Midwest Sports Channel	80	3/6	\$2.6	—	WTMJ(AM) 620 khz	52	3/5	\$2	—
CBS Cable's Midwest Sports Channel pays \$2.6 million for broadcast TV and cable rights; Brewers buy airtime on WCGV-TV. Team shares some revenue with Midwest Sports Channel and WTMJ(AM).																
Pittsburgh Pirates	WCWB-TV (ch.22)	13	0	—	—	—	Fox Sports Net	85	1/8	\$7+	—	KDKA(AM) 1020 khz	35	1/6	—	\$3.5
	WPGH(TV) (ch.53)	2														
Fox Sports Net Pittsburgh has new deal for broadcast and cable rights, pays \$7+ million. Fox sublicenses 15 games to TV stations. Team retains radio rights.																
St. Louis Cardinals	KPLR-TV (ch.11)	45	25	1/4	—	—	Fox Sports Net	58	3/8	\$4	—	KMOX(AM) 1120 khz	107	4/5	\$5	—
Fox Sports Net Midwest also pays \$3 million for broadcast TV rights in new four-year deal with Cardinals. Cardinals buy airtime on KPLR-TV.																
NATIONAL LEAGUE WEST																
Colorado Rockies	KWGN-TV (ch.2)	75	13	—	—	—	Fox Sports Net	50	4/10	\$10+	—	KOA(AM) 850 khz	65	4/5	\$4.5	—
Fox Sports Net Rocky Mountain pays \$10+ million for broadcast TV and cable rights. Fox buys airtime on KWGN-TV.																
Los Angeles Dodgers	KTLA(TV) (ch.5)	50	0	4/5	\$15.5	—	Fox Sports Net 2	80	—	—	—	KXTA(AM) 1150 khz	26	3/5	\$6-8	—
KTLA(TV) pays \$15.5 million for broadcast TV and partial cable rights. It sublicenses 40 games to Fox, which owns Dodgers. KWKW(AM) broadcasts games in Spanish.																
San Diego Padres	KUSI-TV (ch.51)	24	0	—	—	—	Channel 4	114	4/5	\$6	—	KOGO(AM) 600 khz	1	1/4	\$5	—
Cox Communications' Channel 4 pays \$6 million for broadcast TV and cable rights. Cox has programming and promotional partnership with KUSI-TV. Cox keeps all ad revenue.																
San Francisco Giants	KTVU(TV) (ch.2)	56	6	6/6	\$4.5	—	Fox Sports Net	59	5/7	\$4.5	—	KNBR(AM) 680 khz	17	2/6	\$5.5	—
Team retains five to seven 30-second spots per game on broadcast TV. KTVU parent Cox Broadcasting and KNBR(AM) are both limited partners in team.																
Arizona Diamondbacks	KTVK(TV) (ch.3)	75	2	3/10	—	\$10.5	Fox Sports Net	60	3/10	\$5+	—	KTAR(AM) 620 khz	20+	3/10	—	\$4.2
Team retains broadcast TV and radio rights. Team and KTVK have revenue-sharing arrangement. KDRX-TV will air 14 games in Spanish.																



Sports, among others, has the cable rights to 27 of the 30 MLB teams.

Overall, it appears that regional cable networks and local broadcasters are paying more for the rights to carry games this year. The TV and radio industries spent roughly \$409 million in rights fees, that's up from the \$380.7 million reported last year. Among the new deals, Fox Sports Net Pittsburgh is spending more than \$7 million a year for the cable and broadcast rights to Pirates games as part of an eight-year pact. And KOGO(AM) paid \$5 million a year as part of a four-year agreement with the San Diego Padres.

The survey also indicates that the number of regular season baseball games on broadcast TV stations continues to drop, whereas the number of games on regional cable networks is steadily growing—increasing 5.5% over last year.

BROADCASTING & CABLE's annual survey found that the average number of broadcast games per team fell from 54.9 in 1999 to 51.7 set for 2000—a 6% decline from last year. The average

number of baseball games on cable rose from 72.9 in 1999 to 77 in 2000. (These figures include last season's number of Montreal Expos telecasts, although no agreement has yet been announced.)

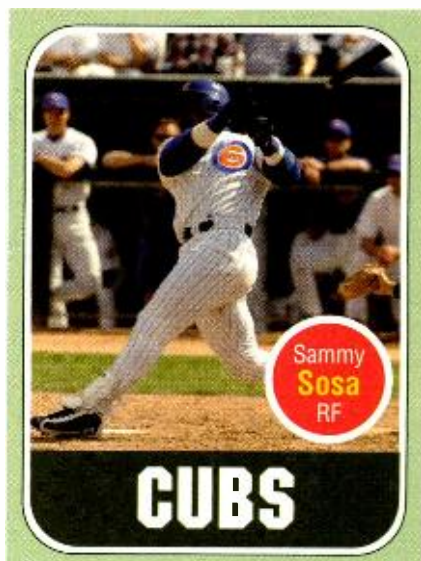
Overall, cable networks will carry 2,310 games—760 more than the 1,550 games TV stations will air. The migration of games to cable is an ongoing trend (see chart). All told, cable will air 123 more games than it did in 1999. For example, Fox Sports Net Florida's Marlins games have jumped from 70 to 95 this season. The Pittsburgh Pirates will have 10 more games on Fox Sports Net Pittsburgh, and Fox Sports Net Midwest is adding 8 more Cardinal games this year.

Few broadcasters, if any, seem willing to challenge cable's lock on local rights. Only a handful have ongoing deals, such as KTUV(TV) and the San Francisco Giants, WUAB(TV) and the Cleveland Indians, and KIRO-TV and the Mariners. KTLA(TV) is an exception to the rule with its acquisition of both broadcast and cable rights for the Dodgers. However, that arrangement is slated to expire next year.

This season, however, Fox Television's WFXT-TV Boston reportedly paid \$8.7 million for the rights to 67 Boston Red Sox games in a new three-year deal with the team (see sidebar).

Often regional cable networks will sublicense games to stations, such as Fox Sports Net Florida, which sells 55 Marlins games to WAMI-TV Miami.

But TV stations in general have been cutting back on the number of games in response to mounting pressure from networks not to pre-empt their programming. Take WGN-TV Chicago, for example. This season the broadcaster is taking a different approach to airing the Chicago Cubs and White Sox—WGN-TV and the Cubs are co-owned by Tribune. Traditionally, WGN-TV has been the only local station offering Chicago Cubs and



AP Photo

WCIU-TV Chicago will carry eight Cubs and 24 White Sox regular-season games in prime time.

Under this new arrangement, WGN-TV airs 71 Cubs and 29 White Sox games. Even with WCIU-TV on board, the total number of Cubs games on both stations is 79—that's 12 fewer than in 1999. The number of White Sox games remains the same as last year.

"Chicago has always had a strong tradition of baseball on over-the-air broadcasting. We feel this is the best way to have a good number of games on over-the-air and a way to grow our network," says Bob Ramsey, WGN-TV's station manager. "Everyone feels that putting the games on an additional free television station makes a lot of sense, especially when 40% of the market doesn't get cable," says Neal Sabín, executive vice president of Weigel Broadcasting, which owns WCIU-TV.

Neither station would discuss details of their arrangement. But sources say that WGN-TV will keep all the ad inventory and is buying airtime on WCIU-TV. Fox Sports Net Chicago, which has the cable rights to the Cubs and White Sox, is offering 16 more Cubs games than last season and will run 99 White Sox games, down from 103 in 1999.

In Atlanta, the 30 Braves games telecast last season on WUPA(TV) Atlanta have moved to Turner South, the new regional network, which is co-owned along with the Braves by Turner Broadcasting System. The flagship station for the Braves, WTBS(TV) Atlanta, another Turner property, is airing 90 regular season games, the same as 1999. Turner South has also picked up four games that were carried by Fox Sports Net

Scorecard: broadcast vs cable						
Year	Broadcast		Cable		Combined	
	Total games	Avg. # of telecasts	Total games	Avg. # of telecasts	Total games	Avg. # of telecasts
1996	1,835	65.5	1,287	50.9	3,122	116.4
1997	1,668	59.6	1,737	62.0	3,405	121.6
1998	1,655	55.2	2,058	68.6	3,713	123.8
1999	1,646	54.9	2,187	72.9	3,833	127.8
2000	1,550	51.7	2,310	77.0	3,860	128.7

South, which this season is bringing viewers 25 games rather than 29.

Baseball is a welcome addition to the fledgling regional entertainment network that has only 1.5 million subscribers. "Live sports brings you great exposure. It brings you a dedicated fan base that tunes in every night and brings you a great promotional platform for all your other product. And that's what we're really looking to capitalize on," says David Rudolph, vice president and general manager of Turner South.

Despite the enthusiasm generated by Ken Griffey Jr.'s move to Cincinnati, the Reds will again only be available to cable subscribers. That is how it was last season, and there appears to be little public outcry over the situation, but whether that will remain the case with Griffey on broad remains to be seen.

Griffey's arrival did spark interest among local broadcasters. Some approached Fox Sports Net Ohio, which has a six-year deal for the Reds' over-the-air TV and cable rights. There was even a possibility that WKRC-TV Cincinnati, which two years ago carried 15 Reds games, might air the team's opening day, but nothing developed. "We couldn't work it out this year," says William Moll, president of WKRC-TV, a CBS affiliate. "We parted friends and we're going to continue to hold discussions with Fox Sports Net and the Reds about possible future broadcast opportunities," says Moll.

Fox Sports Net will offer 85 Reds games, the same as 1999. There was interest from local TV stations notes Steve Liverani, senior vice president and general manager, Fox Sports Net Ohio. "But not enough to forge a relationship or agreement," he says.

Nevertheless, Fox Sports Net Ohio anticipates record viewership for its games. "We ended last year with a 4.1 TV household rating; we're projecting a 50% increase in ratings with the addition of Ken Griffey Jr.," says Liverani.

Sources say Fox Sports Net Ohio already had exclusivity arrangements with cable operators in place when news that Griffey was coming to Cincinnati broke. Changing the terms of those deals would have been difficult. Plus, it's believed that Fox's asking price for the games was higher than stations were willing to go.

Moreover, even if their discussions were fruitful, the number of telecasts would likely be limited, because broadcasters are reluctant to pre-empt network programming for baseball. As

Moll points out, "the network has made it clear that it wants its affiliates to clear only network programming."

Teams that are producing games and selling ad time themselves, or have partnerships with local TV outlets continue to make money, with revenues reaching \$168 million this season. But revenue-sharing arrangements may be losing their appeal for some broadcasters.

For example, KPLR-TV St. Louis, a WB affiliate, dropped its revenue-sharing partnership with the Cardinals. "They [the station] were looking to pull back from Cardinals' baseball and refocus their sales staff on network inventory," says Dan Farrell, senior vice president of broadcasting and sales for the Cardinals. Farrell says KPLR had no problem with Fox Sports Net Mid-

west's purchase of the broadcast TV rights. The Cardinals will still be carried on KPLR, but Fox Sports Net Midwest now controls the team's broadcast inventory. Part of the team's deal with Fox includes maintaining an over-the-air presence through KPLR for the next four years with the Cardinals buying the airtime. Farrell says, KPLR also wanted to reduce its clearances and will carry 45 games this season, 10 fewer than last year.

"Fox recognized the benefits of having both rights streams. They were aggressive in pursuing it and we were able to get the benefit of having them add additional cable clearances, not only for this year, but at an even more significant level in future years," says Farrell. ■

BoSox on Fox



After a deal with JCS New England Television Network went sour, WFXT won the broadcast rights

Could Sox on Fox 25 be a winning combination? Fox Television's WFXT-TV Boston thinks so. It is reportedly paying \$8.7 million for the broadcast rights to 67 regular season games as part of a new three-year deal with the Boston Red Sox.

The Red Sox team terminated its deal with last season's rights holder, JCS New England Television Network, an operation headed by Gene F. Jankowski, former president and chairman of the CBS Broadcast Group. JCS' bid for 1999 broadcast rights was estimated at \$10 million. And, although the Red Sox organization wouldn't discuss specifics, reports in the Boston media indicat-

ed that JCS could not pay the rights fee and still owes the team money.

However, Jankowski told BROADCASTING & CABLE that JCS "relinquished the rights at the same time" the team terminated the arrangement. He says the Red Sox wanted a guaranteed payment for the next three years, something Fox could do but JCS could not. He says JCS doesn't owe the Red Sox any money either: "We've come to the end of that."

Some observers think the JCS model was doomed from the start. JCS had an agreement to produce and distribute 75 regular-season games to a network of six New England stations. WB affiliate WLVI-TV Boston served as the Red Sox flagship. But, because JCS didn't own any of the stations, getting that airtime may well have proved too costly.

With the broadcast rights up for grabs again, WFXT-TV which lost out to JCS New England Television Network last season, was one of several stations competing to air the Sox this year. New England Sports Network has the cable rights and is carrying 85 games this season.

When you have a property like the Red Sox and a marketplace that loves sports, it makes sense for the Red Sox and Fox to team up, says Gregg Kelley, vice president and general manager of WFXT-TV. "With Fox in the business of producing and promoting and selling sports, it was the right partnership to strike. It's good for the market, good for the Red Sox, good for us and good for the loyal fan base," he adds.

—Kim McAvoy